

CITY COMMISSION MINUTES

June 17, 2008

7:00 p.m.

The regular meeting of the Junction City City Commission was held on Tuesday, June 17, 2008 with Mayor Mick Wunder presiding.

The following members of the Commission were present: Terry Heldstab, Mike Rhodes, Ken Talley, Jack Taylor and Mick Wunder. Staff present was: Assistant City Manager Mike Guinn, City Attorney Christina Cook, City Clerk Tricia Gowen, and City Attorney Catherine Logan.

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

Commissioner Heldstab moved, seconded by Commissioner Rhodes to approve the Consent Agenda. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried. The Consent Agenda consisted of the following:

- a. Approval of the **June 3, 2008**, City Commission meeting minutes.
- b. The consideration of **Appropriation Ordinance** dated May 30, 2008, through June 11, 2008, in the amount of \$1,389,548.51.
- c. Monthly Reports:
 1. Water Department
 2. Rolling Meadows Golf Course
 3. Codes Department
 4. Personnel Department
 5. Fire Department/EMS
 6. Police Department
 7. Recreation Department
- d. The consideration and approval of **Pay Request #5** by Kaw Valley Engineering for services rendered through May, 25, 2008, for Spring Valley Road – North of Ash and Spring Valley Drive, in the amount of \$22,323.20.
- e. The consideration and approval of **Pay Request #7** by Kaw Valley Engineering for construction management services completed through May 25, 2008, at Tom Neal Industrial Park, in the amount of \$13,900.00.
- f. The consideration and approval of **Pay Request #4 (final)** by J&K Contracting for services completed through May 27, 2008, for Spring Valley Road – Lacy to Strauss, in the amount of \$261,680.16. (Project is 100% complete)
- g. The consideration and approval of **Pay Request #2** by J&K Contracting for construction services through May 27, 2008, for Turkey Ridge Addition, in the amount of \$55,948.78. (Project is 80% complete)

- h. The consideration and approval of **Grant of Right-of-Way** for Kansas Gas Services for Rucker Road Street Improvements Project from Faith Tabernacle Church to Olivia Farms (SE ¼ of Section 3, Township 12 South, Range 5 East)
- i. The consideration and approval of **Pay Request #5 (final)** by Midlands Contracting for services through May 30, 2008, on Deer Creek #3, in an amount of \$100,148.05. (Project is 100% complete)
- j. The consideration and approval for **Request of Bid Date** of July 3, 2008, to sell four City owned properties at 106 Snell Avenue; 108 Snell Avenue; 109 Snell Avenue and 430 West 14th Street.
- k. The consideration and approval of **Pay Request #4** by J&K Contracting for construction services provided through May 27, 2008, for Tom Neal Industrial Park, in the amount of \$272,555.70. (Project is 95.2% complete)
- l. The consideration and approval of **Pay Request #3** by J&K Contracting, LC. for construction services on Thompson Drive/Ehler's Hilltop Paving Patching Project, in the amount of \$77,937.72.
- m. The consideration and approval of **Pay Request** by S&W Services for tree debris collection and removal from December 2007 ice storm, in the amount of \$27,500.00. (\$11,450.00 is FEMA eligible)

CELEBRATIONS

Mark Karmann, Acting Codes Administrator, presented the Commission with information regarding the Codes Department, their accomplishments, the statistics for the past several years, and the personnel make-up of the department.

SPECIAL PRESENTATIONS

- a. Special presentation by Mayor Wunder and Officer Wigton to the winners of the June Yard of the Month:

1. Southeast	The Kohunsky Family
2. Southwest	The Murrison Family
3. Northeast	The Foulk Family
4. Northwest	The D'Andrea Family
5. West of Hwy 77	The Amerine Family

NEW BUSINESS

- a. The consideration and approval of **Award of Bid** for the CDBG Housing Rehabilitation- Buffalo Soldier Park work for 2009 North Madison, 1821 North Madison, and 1908 North Madison. (Bid opening is June 16, 2008. Lowest bid and bid tabulation sheet will be provided following the bid opening.) Ms. Joni Hernly informed the Commission that one bid was received for this project. The Department of Commerce will have to review the bid since only one was received. Once the Department of Commerce approves the bid, the project can begin. Ben Kitchens Painting submitted the following bid:

1821 North Madison \$19,000.00

1908 North Madison \$18,760.00

2009 North Madison \$15,000.00

Commissioner Talley moved, seconded by Commissioner Taylor to approve the Award of Bid for the CDBG Housing Rehabilitation-Buffalo Soldier Park work for 2009 North Madison, 1821 North Madison, and 1908 North Madison for a total of \$52,760.00. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

- b. The consideration and approval of **Construction Engineering Services Agreement** with BG Consultants for Rucker Road-US 77 to Whitney, in an amount not to exceed \$85,603.00. Commissioner Talley moved, seconded by Commissioner Taylor to table this action until the July 1, 2008 Commission meeting. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
- c. The consideration and approval of **Change Order #1** by J&K Contracting for a decrease of \$1,200.00, for 40 linear feet of concrete encasement on the 18-inch sanitary sewer at Tom Neal Industrial Park. Commissioner Talley moved, seconded by Commissioner Heldstab to approve Change Order #1 by J&K Contracting for a decrease of \$1,200.00 for 40 linear feet of concrete encasement on the 18-inch sanitary sewer at Tom Neal Industrial Park. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
- d. The consideration and approval of **Award of Contract** for the Spring Valley Road McFarland Road to Wildcat Lane. (Bids will be opened June 17, 2008, at 10:30 a.m. Lowest bid and bid tabulation will be presented at meeting.) Commissioner Rhodes moved, seconded by Commissioner Talley to reject the Award of Contract for the Spring Valley Road McFarland Road to Wildcat Lane and rebid the project for the work to be all concrete. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
- e. The consideration of **Ordinance S-3012** authorizing and providing for the acquisition of lands or interests therein by condemnation for the widening and construction of street improvements to Highway K-18 within the City of Junction City, KS.
 - 1. The **Request for Declaration of Emergency** for approval of Ordinance S-3012 authorizing and providing for the acquisition of lands or interests therein by condemnation for the widening and construction of street improvements to Highway K-18 within the City of Junction City, KS. Commissioner Rhodes moved, seconded by Commissioner Heldstab to approve the request for Declaration of Emergency for approval of Ordinance S-3012 authorizing and providing for the acquisition of lands or interests therein by condemnation for the widening and construction of street improvements to Highway K-18 within the City of Junction City, KS. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
 - 2. The consideration and approval of **Ordinance S-3012** authorizing and providing for the acquisition of lands or interests therein by condemnation for the widening and construction of street improvements to Highway K-18 within the City of Junction City, KS. **(First and Final Reading)**. Commissioner Rhodes moved, seconded by Commissioner Heldstab to approve Ordinance S-3012 authorizing and providing for the acquisition of lands or interests therein by condemnation for the widening and

construction of street improvements to Highway K-18 within the City of Junction City, KS. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

- f. The consideration and approval of **Award of Bid** to Osage Ambulance for 2009 Chevy Ambulance, in the amount of \$136,986.00. Fire Chief, Mike Ryan, informed the Commission that the ambulance would take 280-300 days to build. This is a five-year lease purchase item and the first payment is due six months after delivery of the ambulance. The first payment will be approximately \$27,000.00. Commissioner Talley stated that he was concerned with the cost and the current budget issues the City is facing. Commissioner Taylor feels this is an important issue and that other areas of the budget can be cut before having to affect the purchase of the ambulance. Mayor Wunder expressed his concern that the number of ambulance runs have increased. Commissioner Rhodes moved, seconded by Commissioner Taylor to approve the Award of Bid to Osage Ambulance for a 2009 Chevy Ambulance in the amount of \$136,986.00. Ayes: Heldstab, Rhodes, Taylor, Wunder. Nays: Talley. Motion carried four to one.
- g. The consideration and approval of **Neighborhood Revitalization Applications** for the following:
 1. American Dream Development to build a Multi-Family unit at 118-130 Fuller Circle (13 apartments) at an approximate cost of \$1.5 million dollars. Project qualifies for 95% tax rebate for years 1 through 6, 85% tax rebate for year 7, 75% tax rebate for year 8, 50% tax rebate for year 9 and 25% tax rebate for year 10. (EDC voted 9-0 in favor.) Mr. Jeff Burton of American Dream Development stated that they want the project to complete on time and doesn't want to compete with the home owners. They are not adding anything to the plat (the number of apartments remains the same and the density is also the same). The four requests on this evening's agenda will close out Village at Freedom Place. American Dream Development will retain ownership of the rentals. The rent will be in the \$1,200 per month range and the apartments will have four bedrooms and a 2-car garage. The size of the apartments will decrease. Commissioner Taylor requested a traffic study to be conducted on Commonwealth to check for traffic patterns to see if there is an issue. Commissioner Talley stated that he was disappointed that they were going from selling the apartments to renting them. Commissioner Talley feels the Commission should recommend the Economic Development Board to consider changing rentals from residential to commercial because there is now a profit involved. Commissioner Talley stated that this recommendation does not affect the requests on this agenda. Commissioner Heldstab moved, seconded by Commissioner Rhodes to approve the Neighborhood Revitalization Application by American Dream Development to build a Multi-Family unit at 118-130 Fuller Circle (13 apartments) to an approximate cost of \$1.5 million dollars. Ayes: Heldstab, Rhodes, Wunder. Nays: Talley, Taylor. Motion carried three to two.
 2. American Dream Development to build a Multi-Family unit at 131-142 Fuller Circle (13 apartments) at an approximate cost of \$1.5 million dollars. Project qualifies for 95% tax rebate for years 1 through 6, 85% tax rebate for year 7, 75% tax rebate for year 8, 50% tax rebate for year 9 and 25% tax rebate for year 10. (EDC voted 9-0 in favor.) Commissioner Heldstab moved, seconded by Commissioner Rhodes to approve the Neighborhood Revitalization Application by American Dream

Development to build a Multi-Family unit at 131-142 Fuller Circle (13 apartments) at an approximate cost of \$1.5million dollars. Ayes: Heldstab, Rhodes, Wunder. Nays: Talley, Taylor. Motion carried three to two. Commissioner Talley expressed his concern that the original intent was to sell these units and now they will be rented. Commissioner Taylor stated that he questions if the community is in need of additional apartment units.

3. American Dream Development to build a Multi-Family unit at 105-117 Fuller Circle (13 Apartments) at an approximate cost of \$1.5 million dollars. Project qualifies for 95% tax rebate for years 1 through 6, 85% tax rebate for year 7, 75% tax rebate for year 8, 50% tax rebate for year 9 and 25% tax rebate for year 10. (EDC voted 9-0 in favor.) Commissioner Heldstab moved, seconded by Commissioner Rhodes to approve the Neighborhood Revitalization Application by American Dream Development to build a Multi-Family unit at 105-117 Fuller Circle (13 apartments) at an approximate cost of \$1.5million dollars. Ayes: Heldstab, Rhodes, Wunder. Nays: Talley, Taylor. Motion carried three to two. Commissioner Talley expressed his concern that the original intent was to sell these units and now they will be rented. Commissioner Taylor stated that he questions if the community is in need of additional apartment units. Commissioner Taylor also stated that his decision is not against Mr. Burton or his company.
4. American Dream Development to build 26 Single Family Residences at 79-104 Fuller Circle at an approximate cost of \$130,000.00, for each unit. Project qualifies for 95% tax rebate for years 1 through 3, 80% tax rebate for year 4, 70% tax rebate for year 5, 60% tax rebate for year 6, 50% tax rebate for year 7, 40% tax rebate for year 8, 30% tax rebate for year 9 and 20% tax rebate for year 10. (EDC voted 9-0 in favor.) Commissioner Rhodes moved, seconded by Commissioner Heldstab to approve the Neighborhood Revitalization Application by American Dream Development to build 25 Single Family Residences at 79-104 Fuller Circle at an approximate cost of \$130,000.00 for each unit. Ayes: Heldstab, Rhodes, Talley, Wunder. Nays: Taylor. Motion carried four to one.
5. Schoenrock Investments, Inc. to build five Townhomes at 620-626 West 4th Street at an approximate cost of \$700,000.00. Project qualifies for 95% tax rebate for years 1 through 3, 80% tax rebate for year 4, 70% tax rebate for year 5, 60% tax rebate for year 6, 50% tax rebate for year 7, 40% tax rebate for year 8, 30% tax rebate for year 9 and 20% tax rebate for year 10. (EDC voted 9-0 in favor.) Mr. Gary Schoenrock informed the Commission that construction is slated to begin in July and be completed by the end of the year. These units will be for sale. Each unit has a two car garage off of the alley. Commissioner Heldstab moved, seconded by Commissioner Taylor to approve the Neighborhood Revitalization Application by Schoenrock Investments, Inc. to build five Townhomes at 620-626 West 4th Street at an approximate cost of \$700,000.00. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
- h. The consideration and approval of **Revolving Loan Fund Application** for construction of IHOP located at 321 East Ash utilizing \$50,000.00 out of the Revolving Loan Fund. Loan would be for 10 years at 4.5% interest. (EDC voted 9-0 in favor.) The Commission was informed that the IHOP will take approximately six months to complete and construction should begin soon. The dirt work and footings will begin next week. Commissioner

Rhodes moved, seconded by Commissioner Taylor to approve the Revolving Loan Fund Application for construction of IHOP located at 321 East Ash, utilizing \$50,000.00 out of the Revolving Loan Fund; the loan would be a 10-year loan at 4.5% interest. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

EXECUTIVE SESSION

Commissioner Rhodes moved, seconded by Commissioner Talley to adjourn into executive session at 8:10 p.m. to reconvene by 8:30 p.m. to discuss matters related attorney-client privileges. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried. Included in the Executive Session were the Commission, Assistant City Manager, and City Attorney.

Commissioner Rhodes moved, seconded by Commissioner Heldstab to reconvene into regular session at 8:30 p.m. having made no decisions nor taken any action while in executive session. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

- i. The consideration and approval of **Change Order #3** by J&K Contracting, LC. for an additional \$139,274.00, due to additional pavement failure expenses in the Ehler's Hilltop/Doc Hargreaves Addition Pavement Patching Project. City Attorney, Katie Logan, informed the Commission that the City has a legal obligation to maintain public streets and sidewalks in a reasonable safe condition. The City can require owners adjacent to the sidewalk to maintain the section of sidewalk on their property. The City's responsibility to the general members of the public is to maintain the sidewalks and streets in a safe manner. Commissioner Talley expressed his concerns as to how does the City stop this type of issue. He questioned if the Commission has gone too far in the repairs. HWS Consulting has documented each site for responsibility. HWS will continue to investigate and report to Ms. Logan with their findings. Ms. Logan will review the report and make a recommendation to the Commission. The Commission would like some assurance from the builders so that this does not happen again. Ms. Logan will review the City's codes and recommend any changes she thinks are appropriate at the July 1, 2008 Commission meeting. The Commission would like to see the contractors who do not comply banned from future projects in Junction City. Ms. Logan stated she would look into the scope of authority for a permanent ban on contractors. Ms. Logan will also review the City's franchise agreements with the utility companies. Mayor Wunder asked Assistant City Manager, Mike Guinn, to follow-up with City Engineer, Christina Cook, on the pictures of the sites. Mr. Guinn informed the Commission that he and Ms. Cook visited with KDHE on the concerned areas. KDHE has sent letters to some of the developers addressing storm water inspections and erosion control issues. KDHE is in the process of assessing fines to the developers who have not complied with KDHE's directives. If the developers do not pay the fines, a stop order is issued for all of the projects they are working on in Junction City. Wade Hiem with HWS Consulting informed the Commission that no repairs have been made outside of the right-of-ways. Commissioner Rhodes moved, seconded by Commissioner Taylor to approve Change Order #3 by J&K Contracting, LC. For an additional \$139,274.00, due to additional pavement failure expenses in the Ehler's Hilltop/Doc Hargreaves Addition Pavement Patching Project. Ayes: Heldstab, Rhodes, Taylor, Wunder. Nays: Talley. Motion carried four to one.

- j. The consideration and approval of selection of **employee health benefits**. City Clerk, Tricia Gowen, presented the Commission with the staff's recommendation to approve the health insurance plan that would require the City to pay 80% of the single premium and the employee to pay 20% of the premium. Ms. Gowen also presented alternative options that included renewing the City's health insurance policy at the same level it is now (this would result in an increase of almost 25% over last year's premiums); eliminating the City's employee health benefits; or moving to a 90/10 split between the City and the employees. Ms. Gowen informed the Commission that the amount that was entered in the budget for 2009 was the 80/20 split. If the Commission decides on the 90/10 split, an additional \$74,000 would have to be cut from somewhere else in the budget or the mil levy would have to be increased by half a mil. Commissioner Rhodes stated that he would like to do the 90/10 split to ease the employees into paying a portion of the premium. Commissioner Taylor agreed with Commissioner Rhodes. Commissioner Talley moved, seconded by Commissioner Heldstab to approve the 80/20 split between the City and the employee with the City paying 80% of the single premium. Ayes: Heldstab, Talley. Nays: Rhodes, Taylor, Wunder. Motion failed three to two. Commissioner Rhodes moved, seconded by Commissioner Taylor to approve the 90/10 split between the City and the employee with the City paying 90% of the single premium. Ayes: Heldstab, Rhodes, Taylor, Wunder. Nays: Talley. Motion carried four to one.

GENERAL DISCUSSION

(The Commission requests that comments be limited to a maximum of five minutes for each person.)

Jim Galbreath – 809 W. Elm, Junction City, KS. Mr. Galbreath stated that he had concerns about the City selling the sanitation service. He asked if this was true. Commissioner Talley informed Mr. Galbreath that the issue is being looked at closely at this time. Mr. Galbreath stated that he thinks the sanitation crews do a good job. He questioned the cost of selling the service. He would rather pay any increase to the current staff. Mayor Wunder stated that Veolia, the current sanitation service, will submit a proposal as well. The budget is a work in progress and all areas are being reviewed. Mr. Galbreath stated that he is concerned because it doesn't appear that anyone cares. Mayor Wunder informed Mr. Galbreath that is not the case and that all of the Commissioners receive email and phone calls and try to respond to the inquiries. Mr. Galbreath stated that he wants the Commission to control his tax dollars for sanitation. Also, Mr. Galbreath informed the Commission that there is a cottonwood tree on the corner of Elm and Garfield streets by Meadow Lane that is a hazard. Limbs and debris come off the after each storm. There is a pile of limbs and continues to grow. He stated that the tree could use a little attention. Mr. Guinn asked for Mr. Galbreath's phone number and stated he would look at the tree.

Commissioner Taylor stepped out of the meeting due to illness.

COMMISSIONER COMMENTS

Commissioner Talley stated that he appreciated all of the Commission's comments this evening and appreciated working with Katie Logan.

Commissioner Rhodes stated that it had been a good meeting with good discussion of the issues.

Commissioner Heldstab thanked the City Staff and Veolia for sending personnel to Chapman to assist with the tornado damage. He asked everyone to keep the Chapman and their residents in our prayers.

Mayor Wunder stated that the Mayor's Task Force Retreat will be held Monday, June 23rd from 3 p.m. to 9 p.m. at the Convention Center. Mayor Wunder asked Assistant City Manager, Mike Guinn, to attend the joint City/County meeting that afternoon. Mayor Wunder also informed the public of the following events:

- Notice has been received from USDA Rural Development and Military Affairs of the Fort Riley Regional Initiative Information meeting to be held on July 1st at 10 a.m. at the Convention Center. Commissioners will receive a formal invitation.
- The following vacancies exist on Advisory Boards:
 - Public Housing – one vacancy
 - Historic Preservation – one vacancy
 - Golf Course Advisory Board – three vacancies (two applications received)
 - Airport Board – two vacancies (one application received)
- June 7th – Junction City Spartans opening game
- June 10th – Budget Work Session at 6 p.m.
- June 13th – Governor's Cup, Rolling Meadows Golf Course
- June 23rd – Mayor's Task Force Retreat at the Convention Center at 3 p.m.
- June 30th – Sundown Salute Sponsor's Dinner at Washington Street Grille
- July 2nd – Sundown Salute Gala, Municipal Auditorium

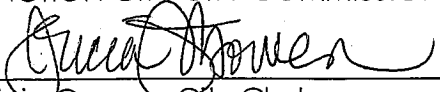
STAFF COMMENTS

Chief of Police, Bob Story stated that the Police Department will test the sirens in Junction City and Milford at noon on Wednesday, June 18th, weather permitting. The Police Department attempts to sound the sirens at least ten minutes ahead of the incoming danger. Sometimes that is not possible. The system is that the sirens will go off for three minutes, however, that doesn't mean it's an all clear. The Police Department is working on a siren pattern to alert the citizens of an impending danger. The staff is working with the radio company on this issue. The carnival will arrive in Junction City on Monday, June 23rd in the afternoon and begin setting up the rides.

ADJOURNMENT

Commissioner Rhodes moved, seconded by Commissioner Heldstab to adjourn at 9:16 p.m. Ayes: Heldstab, Rhodes, Talley, Wunder. Nays: None. Motion carried.

APPROVED AND ACCEPTED THIS 1st DAY OF JULY, 2008 AS THE OFFICIAL COPY OF THE JUNCTION CITY CITY COMMISSION MINUTES FOR JUNE 17th, 2008.


Tricia Gowen, City Clerk


Mick Wunder, Mayor